

DEPARTMENT OF THE TREASURY
Review of Regulation
1VAC75-30-10 et seq.
REGULATION GOVERNING ESCHEATS

- A. Statutory Authority - §55-200.1 of the *Code of Virginia*. Authority governing this regulation is mandatory. There is no federal authority related to this regulation.
- B. Solicitation for comments for this review was published in the Virginia Register of Regulations on May 24, 1999. No public comment was received.
- C. This regulation is effective in providing clarification to the specific sections of the Escheats Generally Statute (the statute) that were difficult to understand. The regulation is referred to in many cases where the statute is complicated or misinterpreted. Generally, this regulation has provided a better understanding of the requirements of the statute which has increased compliance with its provisions in most cases.

The regulation has proven effective for the escheator bond requirement. For the past two years, the bonding requirement has been met by all escheators if there was activity in their locality. A vast majority of escheators have obtained the appropriate bond required for their appointment to a judicial circuit. In addition, during the past two years, a higher percentage of escheators had completed the appropriate actions to ensure that parcels were placed back onto active tax rolls.

- D. This regulation is essential for the Department of the Treasury to provide for an efficient and economical functioning escheat process. The statute is vague on certain requirements which made monitoring compliance with its provisions more difficult. The regulation merely provides a minimal amount of clarification and guidance.
- E. The Department of the Treasury first developed a handbook to facilitate the understanding of the escheat process. This handbook was distributed to all the participants in the escheat process (i.e. local Treasurers, Commissioners of the Revenue, Escheators, Circuit Court Clerks, Real Estate Assessors, etc.). However, it was determined that the handbook was costly, required frequent update, and required re-issuance to newly elected or appointed officials. The Department of the Treasury also conducted training seminars for the participants in the process; however, it was difficult to schedule these to obtain the necessary attendance. The escheat process is only applicable in certain instances and many of the participants are only exposed to the process one time per year. It was determined that a regulation would be the least burdensome and intrusive alternative as it could be a readily accessible point of reference or clarification in the event a participant had a question.
- F. The regulation is clearly written and easily understandable by the individual participants and entities affected.
- G. The Department of the Treasury recommends that the regulation Governing Escheats be retained as it currently exists.